GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:324
ANSWERED ON:06.09.2007
GAS DISTRIBUTION THROUGH PIPELINES
Patel Shri Jivabhai Ambalal;Vasava Shri Mansukhbhai D.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the present status of gas distribution to consumers through pipelines, State-wise;

(b) whether specific approval of Union Government is required by the States to start such distribution of gas;

(c) if so, whether it has come to the notice of the Government that some States have started this scheme without approval of the Union Government;

(d) if so, the details thereof; and

(e) the steps taken by the Union Government to resolve the issue?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 326 TO BE ANSWERED ON 06.9.2007 BY DR. LAXMINARAYAN PANDEY AND SHRI DHARMENDRA PRADHAN, MP REGARDING GAS DISTRIBUTION THROUGH PIPELINES.

(a): The details of trunk pipelines of GAIL (India) Limited are given in Annex. Apart from this, Joint Ventures of GAIL with various Oil Marketing Companies have city gas distributions networks in Delhi and suburbs, Mumbai and suburbs, Agra, Lucknow, Kanpur, Hyderabad and Vijaywada. City/ Local Natural Gas Distributions Networks have also been implemented in cities of Agartala, Ahmedabad, Ankleshwar, Bharuch, Surat, Vadodara, Gandhinagar, Hazira, Junagam, Vasva, Mora, Damka, Bhatlai, Kawas, Rajgiri, Suwali, Icchapore, Vidyanagar, Anand, Morbi, Duliajan, Digboi, Dibrugarh, Moran, Naharkatiya, Sivasagar, Nazira, Simaluguri and Tinsukia. M/s Gujarat State Petronet Limited (GSPL) has commissioned 1150 km of pipeline within Gujarat.

(b): Yes, Sir.

(c) & (d): Yes, Sir. A major part of the pipelines commissioned/being commissioned by GSPL in Gujarat is without the authorization of the Government of India. Some State Governments, namely, Gujarat, Haryana, UP and Rajasthan have authorized setting up of City/Local Natural Gas Distribution projects or have initiated action for the same. Government of Gujarat has issued NOCs to various entities for laying CNG network in the districts of Ahmedabad, Vadodara, Gandhinagar, Mehsana, Sabarkantha, Rajkot, Surendranagar and Godhra districts, as also in Nadiad, Anand, Vapi, Valsad, Khambhat, Bilimora, Navsari, Bhavnagar, Vankaner and Sarigam. Government of Uttar Pradesh, through UPSIDC, has issued No Objection Certificates for implementation of city gas distribution projects in Lucknow, NOIDA, Greater Noida, Moradabad and Ghaziabad. Similarly, Government of Haryana has granted No Objection Certificate for city gas distribution projects in Faridabad, Gurgaon, Panipat and Sonipat.Government of Rajasthan has granted NOCs to various entities for city gas distribution in the cities of Kota, Jaipur, Udaipur, Bhiwadi and Neemrana.

(e): The Hon'ble Supreme Court in its order given in advisory jurisdiction on 25th March, 2004 in the Special Reference No. 1/2001 has opined that natural gas, including Liquefied Natural Gas, is a Union subject covered under Entry 53 of the Union List. Accordingly, the Union has exclusive legislative competence to enact laws on natural gas. The states have no legislative competence to make laws on the subject of natural gas.

Under Article 73 of the Constitution, the executive power of the Union extends to these matters, with respect to which Parliament has the power to make laws. In view of the same, state Governments have no power to authorize laying of trunk natural gas pipelines and City/Local Natural Gas Distribution Networks

Further, the Government has notified, the 'Petroleum and Natural Gas Regulatory Board Act, 2006', on April 3, 2006, which envisages Board's authorization to entities to lay, build, operate or expand trunk natural gas pipelines and City/Local Natural Gas Distribution Networks.The Petroleum and Natural Gas Regulatory Board has since been constituted on June 25, 2007.

Government of India has requested the State Governments concerned not to initiate any action regarding grant of NOCs/approvals

pertaining to laying of trunk pipelines and City/Local Natural Gas Distribution Networks.

Further, the Government has filed an Affidavit in the matter of M.C. Mehta V/s Union of India and others (Writ Petition Civil 19029/85) requesting the Supreme Court to clarify that State Governments have no authority or jurisdiction to make any policy for transmission, supply and distribution of natural gas, and for city gas distribution, in view of the opinion given by the Supreme Court in the Presidential reference matter.

Annex refer to L. S. Starred Q. 324 for 6.9.07

DETAILS OF GAS PIPE LINES :

	LENGTH IN Kms.
GUJARAT	1553
TRIPURA -	61
ASSAM	8
TAMILNADU	259
ANDHRA PRADESH(AP)	834
MADHYA PRADESH(MP)	1421
RAJASTHAN	500
UTTAR PRADESH(UP)	1477
MAHARASTRA	482
HARYANA	86
DELHI	96
TOTAL NATURAL GAS PIPELINES	6777
GAS PIPELINES	